

PATENT

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

For: SYSTEM AND METHOD FOR PROVIDING SECURE RETIREMENT BENEFITS  
VIA A CONVERSION PROCESS

### Assistant Commissioner for Patents

Washington, D.C. 20231

Sir

**DECLARATIONS OF JEROME GOLDEN PURSUANT TO 37 CFR 1.132**

**DECLARATION ESTABLISHING THE PRESENT INVENTION AS NOT**

**KNOWN IN THE ART AT THE TIME OF INVENTION**

In support of the statements made at an Examiner's interview which I, Jerome Golden (Inventor of Present Application, President of the Income Management Strategies Division of MassMutual Financial Corp.), Trish Walsh (Vice President and Associate General Counsel, MassMutual Financial Corp.), Thomas J. Scott, Jr. (Applicant's Representative), John LeBlanc (Clerk of Applicant's Representative), Frantzy Poinvil (Primary Examiner) and Siegfried Chencinski (Examiner) attended for this application conducted on January 16, 2007, I, Jerome

1. I am the sole inventor of the invention described in the above referenced application.
2. I have worked in the financial services industry since 1965.
3. I have extensive experience in and knowledge of, insurance and investment products, financial and retirement planning software, administrative systems to manage financial products, and the development, marketing and administering of such products.
4. While at The Equitable Life Assurance Society of The United States ("Equitable") from April, 1994 to June, 1999 my position as President of the Income Management Group and as Executive Vice President, required me to remain informed, among other things, about the insurance, annuity and retirement product offerings of Equitable as well as those of Equitable's competitors. I was not at that time through the time of the invention of the present application, aware of any systems or products that provided individual clients with the benefits of the present invention. In my experience, such products are marketed by companies and are not maintained as trade secrets. Thus, if a company has developed a product or system, the product is marketed and other members of the trade would become aware of the product. An example of this is the Principal Financial Group article attached and described in paragraph 6 below.

5. Subsequent to my employment at Equitable, I formed my own company for financial products and planning, Golden Retirement Resources, Inc, in July, 1999. After forming my company, I developed a system and an appropriate method for converting an individual's retirement assets into a personalized, individual retirement benefit program -- the system and method disclosed in the present application. On April 3, 2000 I filed the present application claiming this invention. I further developed, as part of my development of the system and method described in the present application, a unique commercial annuity which is one way of providing the guaranteed life-dependent retirement benefits indicated by the present application to a particular individual (the "Commercial Annuity").

6. In June, 2002, I licensed the invention described in the present application to the Principal Financial Group. The Principal Financial Group realized the need for such a product and introduced it as part of their "Principal Income IRA" on January 23, 2003 (see attached article available at [http://www.findarticles.com/p/articles/mi\\_m0EIN/is\\_2003\\_Jan\\_23/ai\\_96740742/print](http://www.findarticles.com/p/articles/mi_m0EIN/is_2003_Jan_23/ai_96740742/print)). To my knowledge, since prior to the time of the invention, the Principal Financial Group is and has been a market leader in the 401K and IRA area with

sufficient resources to develop the system and method of the present invention if they had conceived of it. During my licensing discussions with the Principal Financial Group, I did not become aware of any products, systems or methods which provided the features and benefits of the present invention. An embodiment of the present invention was licensed as "the RetireMentor System" to the Principal Financial Group.

7. As a part of the licensing of an embodiment of the present invention, Golden Retirement Resources, Inc. obtained, on behalf of Principal, approval of the Commercial Annuity in all fifty states under the State insurance laws. Based on my experience in the insurance industry, the Commercial Annuity contained several unique features; that was confirmed as part of the approval process with the states. The approval process requires the filing of the contract, the application for the contract and an actuarial statement, with each state free to comment on any aspect of the filing. I and my colleagues at Golden Retirement Resources, Inc. and Principal had numerous and detailed conversations with insurance department representatives from many states. It appeared clear to us, because of the number of questions about the product for which approval was requested, that to the knowledge of the insurance department representatives, the

product with its novel features was considered not well-known or conventional and was, in fact, unique. The Commercial Annuity is used to commercialize one version of the system and method of the present application.

8. In June of 2005, Golden Retirement Resources was acquired by the MassMutual Financial Group where I currently am employed as President of the Income Management Strategies Division. In my current position, a portion of my responsibilities includes overseeing the development and management of financial and retirement systems and products. My position requires that I remain informed of current market offerings of financial and retirement systems and products. During my employment at MassMutual, I have not become aware of any products, systems or methods which provided the features and benefits of the present invention.

9. I know of no other product, system or method, prior to the present invention, which provided for the planning, implementing and servicing of a guaranteed life-dependent retirement benefit for a person which included allocating a portion of funds from one or more personal financial assets of an individual towards purchasing one or more fractions of a guaranteed life-dependent retirement benefit to provide one or more income benefits payable to the person.

10. I know of no other product, system or method which provided or used, prior to the present invention, the current value of a retirement benefit purchased to date based on an individual, personal actuarial valuation of the guaranteed life-dependent retirement benefit for an individual. General actuarial valuation of an annuity, for example, is used to determine the liability of the company issuing the annuity using factors established when the annuity is issued. In contrast, the present invention determines the value of the life-dependent benefits as an asset for the individual, based on market rates at the date of calculation.

11. I know of no other product, system or method which provided or used, prior to the present invention, the conversion of a portion of the beneficiary's one or more financial assets at selected intervals of an allocation period in accordance with allocation instructions specified by the beneficiary to purchase one or more fractions of a guaranteed life-dependent retirement benefit. Since the Commercial Annuity was not available prior to the invention, no conversion could be accomplished to a single financial instrument providing guaranteed life-dependent benefits, and to support the change in guaranteed life-dependent retirement benefits (as referred to in paragraph 13 below).

12. I know of no other product, system or method which provided or used, prior to the present invention, the recalculating for each future interval of the allocation period, a recalculated total current value and a recalculated target benefit payment value based on change information to the retirement program received from the beneficiary.

13. I know of no other product, system or method which provided or used, prior to the present invention, altering of the allocation of funds to achieve a recalculated total current value and a recalculated target benefit payment value in accordance with a change to the guaranteed life-dependent retirement benefit specified by the recipient.

14. I declare that the statements made of my own knowledge are true and statements made on information and belief are believed to be true; and that these statements are made with knowledge that willful false statements and the like are punishable by fine or imprisonment or both under Section 1001 of Title 18 of the United States Code or other provisions, and that any such willful false statements, if filed, may jeopardize the validity of any related patent application or patent issuing thereon from the U.S. Patent Office.

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ATTORNEY DOCKET NO. 22406.000014

Date: January 31, 2007

By:

Jerome Golden  
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## LookSmart

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### **The Principal Financial Group Launches Baby Boomer IRA; Program Helps Retirees Create Personal Retirement Plan**

Business Editors

DES MOINES, Iowa--(BUSINESS WIRE)--Jan. 23, 2003

The Principal Financial Group(R) the nation's 401(k) leader, today announced the rollout of the Principal Income IRA(SM), a revolutionary new kind of individual retirement account designed to help baby boomers create their own personal retirement plan.

The Principal Income IRA is the first program to combine the potential for growth with a way to transition to a guaranteed lifetime paycheck in one rollover IRA, according to Ron Danilson, vice president at The Principal. The program also allows retirees to make changes in their income and benefits based on life events during retirement.

"Today's retirees and the baby boomers will have a dramatically different retirement experience than their parents. They need a dramatically different way to manage their nest eggs," said Mr. Danilson. "The Principal Income IRA responds to the unique needs of this new generation of retirees who--because of longer life expectancies and declining guaranteed forms of retirement income--want flexibility, control and a guarantee they won't outlive their savings."

The Principal Income IRA includes a brokerage account that allows retirees their choice of mutual fund investments for their savings as well as a way to transition to a guaranteed lifetime paycheck through a secure benefits contract at their own chosen pace.

The program also provides cost-of-living adjustments and gives the retiree the option to add benefits such as

-- Income to pay for a caregiver

-- Income to a surviving spouse and to beneficiaries in amounts the retiree elects

In addition, the Principal Income IRA allows retirees to adjust their retirement income and benefits based on lifestyle changes.

The Principal Income IRA uses the RetireMentor(SM) system--an innovative, patent pending income planning and management system developed by Golden Retirement Resources, Inc. (GRR), that helps retirees design their personal retirement plan. The Principal(R) and GRR worked together to develop the new program.

"The Principal Income IRA is the latest in a broad range of tools and services from The Principal to help investors through all of life's stages--from saving for retirement to managing retirement income," said Mr. Danilson. "This new program demonstrates our continued commitment to creating innovative programs to meet the special needs of a new generation of retirees."

#### About Golden Retirement Resources

New York-based Golden Retirement Resources, Inc. specializes in creating innovative financial solutions for the fast growing retiree market, including the RetireMentor(SM) system. Jerry Golden, founder and CEO of Golden Retirement Resources, has more than 35 years of experience in the financial services industry and has been recognized as one of its leading innovators.

About The Principal

The Principal Financial Group(R) (The Principal (R))(1) is a leader in offering businesses, individuals and institutional clients a wide range of financial products and services, including retirement and investment services, life and health insurance and mortgage banking through its diverse family of financial services companies. More employers choose the Principal Financial Group for their 401(k) plans than any other bank, mutual fund, or insurance company in the United States(2). A member of the Fortune 500, the Principal Financial Group has \$117.4 billion in assets under management(3) and serves some 13 million customers worldwide from offices in Asia, Australia, Europe, Latin America and the United States. Principal Financial Group, Inc. is traded on the New York Stock Exchange under the ticker symbol PFG. For more information, visit [www.principal.com](http://www.principal.com).

The Principal Income IRA includes a brokerage account offered through Princor Financial Services Corporation, member SIPC. The Secure Income Benefit contract is an immediate annuity issued by Principal Life Insurance Company. Princor and Principal Life are members of the Principal Financial Group(R), Des Moines, Iowa 50392. Princor and Golden Retirement Resources Inc. are not affiliated entities.

For a list of eligible mutual funds and free copies of fund prospectuses, contact your registered representative. The prospectuses contain more complete information, including charges and expenses. Please read the prospectus carefully before investing.

(1) "The Principal Financial Group" and "The Principal" are registered trademarks of the Principal Financial Group.

(2) CFO Magazine, April/May 2002, based on total plans served in 2001 by insurance companies, banks and investment firms.

(3) As of September 30, 2002.

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